Federal Communications Commission 45 L St., N.E. Washington, D.C. 20554

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DA 22-512

Released: May 10, 2022

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF BULLSEYE TELECOM, INC. TO THE LINGO ENTITIES

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 22-149

Comments Due: May 24 2022 Reply Comment Due: May 31, 2022

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by BullsEye Telecom, Inc. (BullsEye), Lingo Management, LLC (Lingo Management), Lingo Communications, LLC (Lingo), and B. Riley Principal Investments, LLC (BRPI) (Lingo Management, Lingo, and BRPI, collectively, the Lingo Entities) (BullsEye and the Lingo Entities, together, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of BullsEye to the Lingo Entities.¹

BullsEye, a Michigan corporation, provides competitive telecommunications services to business customers in the District of Columbia and the lower 48 states.²

Lingo Management, a Delaware limited liability and holding company, provides through its operating subsidiaries (the Lingo Carriers), competitive telecommunications services in multiple

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application for the Transfer of Control of BullsEye Telecom, Inc. to the Lingo Entities Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Sections 63.04 and 63.24 of the Commission's Rules, WC Docket No. 22-149 (filed Apr. 7, 2022) (Application). Applicants also filed applications for the transfer of authorizations associated with international services. On March 8, 2021, the Bureau approved a transaction to increase BRPI's ownership interest in Lingo Management (from 40% to 80%) while reducing Lingo's ownership interest (from 60% to 20%) (the BR Transaction). *Notice of Domestic Section 214 Authorization Granted*, WC Docket No. 21-21, Public Notice, 36 FCC Rcd 4848 (WCB 2021). On May 9, 2022, Applicants filed a supplement to the Application. Letter from Angela F. Collins, Counsel to Lingo Management, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket 22-149, IB File No. ITC-T/C-20220407-00053 (filed May 9, 2022) (Supplement) (stating that the California Public Utilities Commission, the last state required to approve the BR Transaction, approved the BR Transaction on May 5, 2002 and that "Lingo Management expects the BR Transaction to be consummated on May 31, 2022."). Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Application at 2. BullsEye Telecom of Virginia, LLC, a Virginia limited liability company and wholly-owned subsidiary of BullsEye, is authorized to provide competitive intrastate services in Virginia. *Id.*

states.³ Lingo Management is currently owned by Lingo, a Georgia limited liability company (60%),⁴ and BRPI, a Delaware corporation (40%).⁵ Applicants state that no person or entity listed in the Application holding an interest in BullsEye and the Lingo Carriers, post-consummation, would hold a 10% or greater interest in any other telecommunications carrier.⁶

Pursuant to terms of the proposed transaction, indirect ownership and control of BullsEye will be transferred to Lingo (20%) and BRPI (80%). Applicants request streamlined treatment of the transaction and assert that a grant of the application would serve the public interest, convenience, and necessity. Because the transaction is more complex than usual, and in order to analyze whether the proposed transaction would serve the public interest, the application will not be streamlined. 9

Domestic Section 214 Application Filed for the Transfer of Control of BullsEye Telecom, Inc. to The Lingo Entities, WC Docket No. 22-149 (filed Apr. 7, 2022).

GENERAL INFORMATION

³ *Id.* at 2-5. The Lingo Carriers, each U.S. entities, include: Lingo Telecom, LLC (f/k/a Matrix Telecom, LLC), serving 50 states and the District of Columbia; Lingo Telecom of Virginia, LLC (f/k/a Matrix Telecom of Virginia, LLC), serving Virginia; Lingo Telecom of the West, LLC, serving California; Lingo Communications of Kentucky, LLC, serving certain areas of Kentucky; and Tempo Telecom, LLC (Tempo), a wireless reseller that offers prepaid wireless services throughout the United States, and prepaid wireless Lifeline services in 21 states. *Id.* at 4-5. With the exception of Tempo, each of the other Lingo Carriers provide local exchange, intrastate exchange, and other communications services. *Id.* Applicants note that the proposed transaction will not lead to any overlap of fiber facilities in the markets where BullsEye and the Lingo Carriers operate. *Id.* at 9.

⁴ *Id.* at 3. Lingo is directly wholly-owned by GG Telecom Investors, LLC, a Georgia limited liability holding company, which, in turn is owned by Holcombe T. Green, Jr. (62.5%) and R. Kirby Godsey (37.5%), both U.S. citizens. *Id.* at 3, 12.

⁵ *Id.* BPRI also wholly-owns United Online, Inc., a Delaware corporation, that provides Internet access services to consumers under the NetZero and Juno brands, as well as other communications-related services in all 50 states and the District of Columbia; and YMax Communications Corp. (YMax), a Delaware corporation, that provides competitive LEC and interexchange services in the District of Columbia and all 50 states except Alaska and New Hampshire. *Id.* at 5. YMax's affiliate, Magic Jack SMB, Inc., a Florida corporation, provides communications services in all 50 states with the exception of Alaska. *Id.* BRPI is wholly-owned by B. Riley Financial, Inc. (B. Riley), a publicly traded Delaware corporation. Bryant R. Riley, a U.S. citizen, holds 20% of B Riley. *Id.* at 3, 13.

⁶ *Id.* at 13-14. Applicants state that Lingo and BRPI plan to hold their interests in BullsEye (and Lingo Management) through various intermediate holding companies, each of which are expected to be formed as Delaware entities at a later date, following the consummation of the proposed transaction. Applicants provide in the Application further information on these intermediate holding companies. *Id.* at 7, 11-13 and Exh. A (Current and Post-Transaction Structure).

⁷ *Id.* at 6-7, 12-13, and Exh. A. These percentages assume the consummation of the BR Transaction prior to the consummation of the proposed transaction in this docket, WC Docket No. 22-149. *See* Supplement at 1.

⁸ *Id.* at 5-6.

⁹ 47 CFR § 63.03(c)(1)(v).

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments on or before May 24, 2022, and reply comments on or before May 31, 2022. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper.

- Electronic Filers: Comments may be filed electronically by accessing ECFS at http://apps.fcc.gov/ecfs/.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each
 filing. If more than one docket or rulemaking number appears in the caption of this
 proceeding, filers must submit two additional copies for each additional docket or
 rulemaking number.
 - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 2) David Krech or Sumita Mukhoty, Telecommunications and Analysis Division, International Bureau, david.krech@fcc.gov; sumita.mukhoty@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov

2020).

The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the

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¹⁰ Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. *See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (OS

proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies. A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Gregory Kwan at (202) 418-1191.

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¹¹ See 47 CFR § 1.45(c).